

NOTICE OF VIOLATION

California Safe Drinking Water
and Toxic Enforcement Act

Re: Lead in Infant Accessory Bags

March 24, 2008

This Notice of Violation is provided to you pursuant to and in compliance with California Health and Safety Code Section 25249.7(d).

- For general information regarding the California Safe Drinking Water and Toxic Enforcement Act, see the attached summary provided by the California EPA (copies not provided to public enforcement agencies).
- This Notice of Violation is provided by the Center for Environmental Health ("CEH"), 528 61st Street, Suite A, Oakland, CA 94609, (510) 594-9864. CEH is a nonprofit corporation dedicated to protecting the environment, improving human health and supporting environmentally sound practices. Michael Green is the Executive Director of and a responsible individual within CEH.

Description of Violation:

- The names and addresses of the violators are set forth on Exhibit 1 attached hereto.
- The violations have been occurring since at least March 24, 2005 and are continuing to this day.
- This Notice of Violation covers the "warning provision" of Proposition 65, which is found at California Health and Safety Code Section 25249.6.
- The names of the listed chemicals involved in this violation are lead and lead compounds ("Lead"). Exposures to Lead occur from use of the products identified in this notice.
- The specific type of products causing this violation is infant accessory bags, including but not limited to diaper bags and stroller bags. The infant accessory bags are made with and contain Lead. Non-exclusive examples of this specific type of products are set forth on Exhibit 2 attached hereto.
- Description of Exposure: Use of the products identified in this notice results in human exposures to Lead. Lead is contained in the infant accessory bags, including but not limited in the changing pads included with the infant accessory bags. The routes of exposure for the violation include direct ingestion when consumers (especially infants) place items that have been stored in or placed on the products in their mouths, ingestion via hand to mouth contact after consumers (especially infants) touch or handle the products, and dermal absorption directly through the skin when consumers (especially infants) touch, handle, or otherwise come into contact with the products. These exposures occur in homes, workplaces and everywhere else throughout California where the products are handled or used. No clear and reasonable warning is provided with this product regarding the carcinogenic or reproductive hazards of Lead.

Resolution of Noticed Claims:

- Based on the allegations set forth in this Notice, CEH intends to file a citizen

enforcement lawsuit against each of the violators named herein unless the alleged violator enters into a binding written agreement to remedy the violations alleged herein by: (1) recalling products already sold; (2) providing a clear and reasonable warning for products sold in the future or reformulating such products to eliminate the Lead exposure; and (3) paying an appropriate civil penalty based on the factors enumerated in California Health and Safety Code Section 25249.7(b). If any of the alleged violators is interested in resolving this dispute without resort to litigation, please feel free to contact CEH through its counsel identified below. It should be noted that CEH cannot: (1) finalize any settlement until after the 60-day notice period has expired; nor (2) speak for the Attorney General or any District or City Attorney who received CEH's 60-day Notice. Therefore, while reaching an agreement with CEH will resolve its claims, such agreement may not satisfy the public prosecutors.

Please direct any inquiries regarding this notice to CEH and its counsel Mark N. Todzo at Lexington Law Group, LLP, 1627 Irving Street, San Francisco, CA 94122, (415) 759-4111.

**EXHIBIT 1: List of Violators
60-Day Notice Letter
By Center for Environmental Health
re: Lead In Infant Accessory Bags**

Baby Boom Consumer Products, Inc.
909 Third Avenue 27th Floor
New York, NY 10022-4731

The Betesh Group Holding Corporation
1 E. 33rd Street, Floor 10
New York, NY 10016

Dolly, Inc.
320 N. Fourth Street
Tipp City, OH 45371

Kmart Corporation
3333 Beverly Road, B2-130B
Hoffman Estates, IL 60179

Mothers Work, Inc.
456 North 5th Street
Philadelphia, PA 19123

Sears, Roebuck and Co.
3333 Beverly Road, B2-130B
Hoffman Estates, IL 60179

Sears Holding Corporation
3333 Beverly Road, B2-130B
Hoffman Estates, IL 60179

Wal-Mart Stores, Inc.
702 S.W. 8th Street
Bentonville, AR 72716

The William Carter Company
1170 Peachtree Street NE Suite 900
Atlanta, GA 30309

**EXHIBIT 2: Non-Exclusive Examples of the Products
(March 24, 2008 60-Day Notice Letter
By Center for Environmental Health
re: Lead In Infant Accessory Bags)**

NAMES OF VIOLATOR	EXAMPLE ITEM DESCRIPTION	EXAMPLE ITEM OR SKU NUMBER
Baby Boom Consumer Products, Inc.; The Betesh Group Holding Corporation; The William Carter Company	Carter's out'n about diaper bag brown	92317026835
The Betesh Group Holding Corporation; Kmart Corporation; Sears, Roebuck and Co.; Sears Holding Corporation	Baby Necessities stroller bag	632878881957
Dolly, Inc.; Kmart Corporation; Sears, Roebuck and Co.; Sears Holding Corporation	Pooh Amelia Tote Disney Baby diaper bag	034215076628
Kmart Corporation; Sears, Roebuck and Co.; Sears Holding Corporation	Baby Got Bag leopard print diaper bag	091074056895
Mothers Work, Inc.	C-red quilted diaper bag tote	69573-99
Wal-Mart Stores, Inc.	George diaper bag	4897017101433

CERTIFICATE OF MERIT
Health & Safety Code §25249.7(d)

I, Howard Hirsch, hereby declare:

1. This Certificate of Merit accompanies the attached sixty-day notice in which it is alleged that the parties identified in the notice have violated Health & Safety Code §25249.6 by failing to provide clear and reasonable warnings.


2. I am an attorney with the Lexington Law Group, LLP, and I represent the noticing party, the Center for Environmental Health.

3. Members of my firm and I have consulted with one or more persons with relevant and appropriate experience or expertise who has reviewed facts, studies or other data regarding the exposures to the listed chemical that is the subject of the action.

4. Based on the information obtained through those consultations, and on other information in my possession, I believe there is a reasonable and meritorious case for the private action. I understand that "reasonable and meritorious case for the private action" means that the information provides a credible basis that all elements of the plaintiff's case can be established and the information did not prove that any of the alleged violators will be able to establish any of the affirmative defenses set forth in the statute.

5. The copy of the Certificate of Merit served on the Attorney General attaches to it factual information sufficient to establish the basis for this certificate, including the information identified in Health & Safety Code §25249.7(h)(2), i.e. (1) the identity of the persons consulted with and relied on by the certifier, and (2) the facts, studies or other data reviewed by those persons.

March 24, 2008



Howard Hirsch
Attorney for CENTER FOR
ENVIRONMENTAL HEALTH

PROOF OF SERVICE BY MAIL

I declare that:

I am employed in San Francisco County, California. I am over the age of 18 years and not a party to the within cause; my business address is 1627 Irving Street, San Francisco, California 94122.

On March 24, 2008, I served true copies of the following documents:

**NOTICE OF VIOLATION OF CALIFORNIA SAFE DRINKING WATER
AND TOXIC ENFORCEMENT ACT;**

CERTIFICATE OF MERIT; and

**THE SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT OF
1986 (PROPOSITION 65): A SUMMARY** (only sent to those on service list
marked with an asterisks).

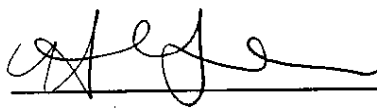
I placed a true copy of this paper in an envelope addressed to:

See Attached Service List.

I am readily familiar with my firm's practice for collection and processing of correspondence for mailing with the United States Postal Service, to wit, that correspondence will be deposited with the United States Postal Service this same day in the ordinary course of business. I placed the envelope containing the above-mentioned documents for collection and mailing on March 24, 2008, following the ordinary business practice.

I declare under penalty of perjury that the foregoing is true and correct, and that this declaration was executed on March 24, 2008, at San Francisco, California.

Signed:



Heather Love

District Attorney of San Joaquin
County
P.O. Box 990
Stockton, CA 95201

District Attorney of San Luis Obispo
County
1050 Monterey St, Room 450
San Luis Obispo, CA 93408

District Attorney of San Benito
County
419 Fourth Street, 2nd Floor
Hollister, CA 95023

District Attorney of San Mateo
County
400 County Ctr, 3rd Fl
Redwood City, CA 94063

District Attorney of Sierra County
Courthouse, P.O. Box 457
Downieville, CA 95936

District Attorney of Santa Barbara
County
1105 Santa Barbara Street
Santa Barbara, CA 93101

District Attorney of Siskiyou County
P.O. Box 986
Yreka, CA 96097

District Attorney of Solano County
675 Texas Street, Suite 4500
Fairfield, CA 94533

District Attorney of Santa Clara
County
70 West Hedding Street, West
Wing
San Jose, CA 95110

District Attorney of Santa Cruz
County
701 Ocean Street, Room 200
Santa Cruz, CA 95060

District Attorney of Sonoma County
600 Administration Drive, Room
212J
Santa Rosa, CA 95403

District Attorney of Shasta County
1525 Court Street, Third Floor
Redding, CA 96001-1632

District Attorney of Stanislaus
County
800 11th Street, Room 200
PO BOX 442
Modesto, CA 95353

District Attorney of Sutter County
446 Second Street
Yuba City, CA 95991

District Attorney of Ventura County
800 South Victoria Ave
Ventura, CA 93009

District Attorney of Tehama County
P.O. Box 519
Red Bluff, CA 96080

District Attorney of Yolo County
301 Second Street
Woodland, CA 95695

District Attorney of Trinity County
P.O. Box 1310
Weaverville, CA 96093

District Attorney of Yuba County
215 Fifth Street
Marysville, CA 95901

District Attorney of Tulare County
221 S. Mooney Ave, Room 224
Visalia, CA 93291

District Attorney of Tuolumne
County
423 No. Washington Street
Sonora, CA 95370

San Jose City Attorney's Office
200 East Santa Clara Street
San Jose, CA 95113

Los Angeles City Attorney's Office
800 City Hall East
200 N. Main Street
Los Angeles, CA 90012

San Diego City Attorney's Office
1200 3rd Avenue #1620
San Diego, CA 92101

San Francisco City Attorney's
Office
City Hall, Room 234
San Francisco, CA 94102

California Attorney General's
Office
Attention: Proposition 65
Coordinator
1515 Clay Street, Suite 2000
P.O. Box 70550
Oakland, CA 94612

President*
Baby Boom Consumer
Products, Inc.
909 Third Avenue 27th Floor
New York, NY 10033-4731

Sol Betesh, Preside
The Betesh Group Holding
Corporation
1 E. 33rd Street, Floor 10
New York, NY 10016

Dennis J. Sullivan*
President
Dolly, Inc.
320 N. Fourth Street
Tipp City, OH 45371

W. Bruce Johnson*
Interim President and CEO
Kmart Corporation
3333 Beverly Road
Hoffman Estates, IL 60179

Dan W. Matthias*
Mothers Work, Inc.
456 North 5th Street
Philadelphia, PA 19123

W. Bruce Johnson*
Interim President and CEO
Sears Holdings Corporation
3333 Beverly Road
Hoffman Estates, IL 60179

W. Bruce Johnson*
Interim President and CEO
Sears, Roebuck and Co.
3333 Beverly Road
Hoffman Estates, IL 60179

H. Lee Scott, Jr.*
Chief Executive Officer
Wal-Mart Stores, Inc.
702 S.W., 8th Street
Bentonville, AR 72716

Frederick J. Rowan II*
Chairman and CEO
The William Carter Company
1170 Peachtree St. NE Ste
900
Atlanta, GA 30309